

United States Department of Agriculture Agricultural Marketing Service

Room 3932-S, STOP 0256 1400 Independence Avenue, SW Washington, DC 20250-0256

April 7, 2008

NOTICE TO THE TRADE

On July 6, 2007, the Secretary of Agriculture announced that the Department had approximately \$50 million worth of bulk commodities that would be exchanged (bartered) with the industry for commodities that would then be donated to domestic food nutrition and assistance programs. Following is a link to that announcement: <u>USDA Barters Surplus Commodities to Provide \$50 Million Worth of Food to Assistance Programs</u>

Thus far, the Department has bartered bulk wheat for canned poultry, canned pork, and canned beef. In October 2007, the Department entered into an agreement with a third party company, The Seam (http://www.theseam.com/), to liquidate additional wheat for cash. The Seam will use the cash to purchase additional canned and frozen products that will be provided to food nutrition and assistance programs. The Seam has developed a system to accept bids and award contracts for poultry products through a reverse auction process. We understand that The Seam will be accepting bids on April 14 for Consumer Pack Chicken and Chicken Leg Quarters; April 15 for Turkey Hams; and April 16 for Canned Boned Poultry. There will be a preview period that starts today, April 7. In addition, an online demonstration will be held on April 10. You may contact Kevin Brinkley with The Seam at 901-322-1040 or Kevin.Brinkley@theseam.com.

We would also like to offer a few points of clarification.

- The product specifications are similar to those used by our office, and will include domestic origin requirements, USDA Grading, etc.
- You will be contacted directly by The Seam, not our office.
- You are encouraged, but not required, to participate.
- You will receive contract award information, shipping documents, and payment directly from The Seam.
- All issues with regard to delivery of this product must be directed to The Seam.

This barter effort is an excellent opportunity for the domestic food assistance programs to receive quality product they would not otherwise have access to due to funding limitations, so we hope that you consider participating.

Erin Morris

Contracting Officer